



ENERGY ASSURANCE DAILY

Monday, March 26, 2007

Electricity

Consortium of Midwest Utilities Plan to Develop 268 MW Wind Power Storage Facility

A group of utilities in Minnesota, Iowa and both North and South Dakota plans to develop a storage cavern to store wind generated electricity in the form of high pressure air. The facility to be located near Des Moines in Iowa would receive electricity over the grid from wind farms scattered throughout the region. The electricity would then be used to pump air under high pressure into the cavern. The project is expected to have a delivery capacity of 268 MW and would be utilized to augment supplies during peak demand periods much like a pump-storage hydroelectric power plant. Construction is expected to begin in 2009 with the facility in operation in 2011.

<http://www.startribune.com/535/story/1073916.html>

Energy Northwest's 1,108 MW Columbia Nuke Plant in Washington Returns to Full Power March 26

The reactor had been reduced to 85 percent of capacity over the weekend to allow for the necessary grid preparations for the seasonal increase in generation from hydroelectric sites in the region.

Bloomberg News, 12:37 March 26, 2007

FirstEnergy's 870 MW Beaver Valley Nuke Unit 1 in Pennsylvania Reduces Power March 26

The nuclear unit reduced output over the weekend to clean equipment that cools and condenses steam flow from the main turbine. This morning, the reactor was at 82 percent of capacity and is expected to return to full power later this week, according to a company spokesperson.

Bloomberg News, 10:03 March 26, 2007

FirstEnergy's 925 MW Davis-Besse Nuke Unit in Ohio Ramps Up to 92 Capacity March 26

The nuclear reactor was running at 92 percent of capacity as of 10:30 this morning after power was reduced so that repairs to a leaking condenser tube could be repaired. The reactor was operating at 48 percent of capacity on March 25.

Bloomberg News, 11:29 March 26, 2007

TXU's 750 MW Martin Lake Coal-fired Unit 3 in Texas Shut March 26

The unit shut this morning to fix a tube leak. The work is scheduled from March 26 to 27, but the company declined to say when the unit would return to service.

Reuters, 07:18 March 26, 2007

Reuters, 11:26 March 26, 2007

TXU Plans to Restart 750 MW Monticello Coal-fired Unit in Texas March 26

TXU said in a report to state regulators that it plans to restart the 750 MW coal-fired unit on March 26. The unit shut on March 23-24 to fix a tube leak.

Reuters, 07:25 March 26, 2007

AES' 225 MW Huntington Gas-fired Unit 1 in California Shut March 25

Reuters, 08:18 March 26, 2007

AES' 225 MW Huntington Gas-fired Unit 2 in California Shut March 25

Reuters, 08:18 March 26, 2007

Mirant's 206 MW Potero Gas-fired Unit 3 in California Shut March 25

Reuters, 08:18 March 26, 2007

Petroleum

Fire Reduces Output at BP's Whiting Refinery in Indiana:

175,000 b/d Crude Unit Out for Four to Six Weeks

A fire at BP's giant 410,000 b/d Whiting Refinery disabled a feeder unit and led to reduced rates to a catalytic cracking unit at the refinery. A 175,000 b/d crude unit will be out of service for between four and six weeks. BP announced that it will also use the down time to perform maintenance on two additional crude units, moving up work scheduled to begin in early May to the present. According to a report from OPIS, the fire occurred on March 22 and several of the units could be out of service until the middle of June.

Reuters, 12:56 March 26, 2007

OPIS, 10:49 March 26, 2007

Fire Reduces Output at Holly's 27,000 b/d Salt Lake City Refinery in Utah

A small fire involving a flare tower occurred about 7 a.m. on March 26 at the 27,000 b/d Holly Corp refinery located near Salt Lake City in Bountiful, Utah. Although the fire was quickly extinguished it resulted in an output reduction of between 10 and 15 percent. There was no information available as to the extent of the damage, nor the estimated duration of the reduction in production.

Reuters, 12:28 March 26, 2007

Bloomberg News, 10:43 March 26, 2007

Valero Postpones Scheduled Work at its 135,000 b/d Wilmington Refinery in California

Valero announced that at the request of the California Energy Commission, the company has decided to postpone maintenance on a gasoline catalytic cracking unit that had been scheduled to take place in April. At this time, Valero has not announced a new date for the work to begin.

Bloomberg News, 10:07 March 26, 2007

Update: Units at Shell's 334,000 b/d Deer Park Refinery in Texas Back on Line

Shell reported that all the units affected by a power outage that cut power to the facility on March 21 were back on line and operating normally. A Hydrocracker, down for maintenance prior to the outage, is expected to be back in service by the end of this week.

Reuters, 10:50 March 26, 2007

Reuters, 11:01 March 26, 2007

Natural Gas

El Paso Ends Force Majeure at TransColorado's Blanco Delivery Point March 24

The force majeure was lifted and all scheduled quantities are back to normal as of late Saturday afternoon. The cause of the reduction was not clearly identified, but all flow constraints have been resolved.

TransColorado's EBB

Other News

Jet Fuel Imports Reach All-Time High in February

According to a report in Jet Fuel Intelligence, Jet fuel imports reached 233,000 b/d during February. Imports were at an all-time high during the month and appear likely to exceed that amount during March.

Jet Fuel Intelligence, March 26, 2007, http://www.energyintel.com/PublicationHomePage.asp?publication_id=7

Energy Prices

U.S. Oil and Gas Prices March 26, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	61.71	56.65	63.90
NATURAL GAS Henry Hub \$/Million Btu	7.15	6.70	7.43

Source: Reuters

Energy Notes

Senate Energy Committee Chair Bingaman Opposes Expansion of SPR to 1.5 Billion Barrels

<http://www.platts.com/Oil/News/6368852.xml?p=Oil/News&sub=Oil>

Update: Oil Flowing Through Repaired Shell Line in Nigeria

Reuters, 05:06 March 26, 2007

NNPC Claims Stage is Set for Nigeria to Have the Fastest Growing LNG Capacity

http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=8029047

Cyclone Kara Shuts in 162,000 b/d of Australian Production

Reuters, 02:38 March 26, 2007

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

Energy Assurance Daily provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:
<http://www.oe.netl.doe.gov/index.aspx>.

Please direct comments and questions to: ead@oe.netl.doe.gov